

Miscellaneous Tax

2007 Legislation Implementation

House Bills

July 1, 2007

2007 HB 37	Cigarette & Tobacco Tax & Licensing Amendments (§§59-14-102; 59-14-204; 59-14-205; 59-14-303; 59-14-208.5; 59-14-410)
Effective Date	February 14, 2007
Summary	<p>This bill clarifies and sets forth filing requirements for consumers who purchase unstamped cigarettes (Internet sales). If cigarettes are allowed to remain unstamped, the Tax Commission may require the person holding the unstamped cigarettes to secure a surety bond from a surety company authorized to do business in this state. It also sets forth assessment and overpayment limitation periods, which are consistent with other tax types.</p> <p>The bill provides the procedures and requirements for payment of a cigarette tax by a person who does not stamp cigarettes, including when the tax is due, and the penalties associated with nonpayment. Payments are to be paid on or before the last day of the month immediately following the month during which the cigarettes were purchased.</p> <p>It provides a time limit within which the State Tax Commission must assess cigarette taxes on consumers who purchase cigarettes for which the tax has not been paid. A consumer is not required to pay a cigarette tax on stamped cigarettes if the consumer is a tourist who imports cigarettes for their own use or consumption while in the state. A consumer is to maintain records necessary to determine the amount of tax they are liable to pay for a period of three years following the date the return was filed. If the Tax Commission does not assess a tax within the three-year period, the Commission may not proceed to collect the tax. A consumer shall also pay a penalty plus interest at the rate described in §59-1-402.</p> <p>If a consumer fails to pay the tax, pay the tax on time, or file a return, an overpayment of tax shall accrue interest at the rate described in §59-1-402.</p>

2007 HB 119	Emergency Communication Funding (§§53-10-603; 53-10-605; 69-2-5; 69-2-5.6)
Effective Date	July 1, 2007
Summary	<p>This bill eliminates provisions reimbursing communications providers for costs associated with Phase I E-911 service; imposes the emergency services telephone charge on services with access to the public switched telephone network, including voice over Internet protocol, at 61 cents per month; reduces the current 65 cents per line charge for local exchange service switched lines and radio communications access lines to 61 cents per line; changes the date on which a (statewide) charge levied to fund E-911 service is reduced (from 13¢ to 8¢) from July 1, 2008 to July 1, 2007.</p>

2007 HB 87	HB 87 Severance Tax Related Amendments
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Effective Date	Retrospective to January 1, 2007
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Summary	This bill amends oil and gas severance tax provisions to eliminate the tax exemption for the first \$50,000 annually in gross value of oil and gas wells; increases the diversion to the Uintah Basin Revitalization Fund from \$3 million to \$5 million for FY06-07, \$6 million for FY07-08 and 08-09, and by the change in the CPI between the preceding calendar year and FY07-08 for each year thereafter; increases the diversion to the Navajo Revitalization Fund from \$2 million to \$3 million for fiscal years beginning with FY 07-08.
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2007 HB 238	Municipal Telecom License Tax Amendments (§§10-1-403; 10-1-405; 59-1-403; 62A-11-328)
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Effective Date	July 1, 2007
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Summary	This bill reduces the municipal telecommunications license tax rate from a maximum rate of up to 4% to up to 3.5%; effective 7/1/07, directs the Tax Commission to tax at 3.5% for a municipality that had a tax rate in excess of 3.5% on 6/30/07, unless the Commission receives a 30-day notice that the municipality will amend the rate to less than 3.5%.
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Senate Bills

2007 SB 200	Reduced Cigarette Ignition Propensity (§§53-7-401; 53-7-402; 53-7-403; 53-7-404; 53-7-405; 53-7-406; 53-7-407; 53-7-408; 53-7-409; 53-7-410; 53-7-411)
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Effective Date	July 1, 2008
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Summary	This bill creates test methods and performance standards for cigarettes and requires certification and product marking to ensure compliance with the act. It also creates a Reduced Cigarette Ignition Propensity and Fire Fighter Protection Enforcement Restricted Account within the General Fund. The bill establishes penalties for violations of the act and gives the state fire marshal and the State Tax Commission enforcement powers.
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